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USDOC FOR 532/OEA/MNICKSON-DORSEY/LLAUCIUS
USDOC FOR 3132 FOR FCS/OIO REGIONAL DIRECTOR
WILLIAM ZARIT
BICE FOR OFFICE OF STRATEGIC INVESTIGATIONS
SINGAPORE FOR FCS

SIPDIS

E.O. 12958: N/A
TAGS: [BMGT](#) [BEXP](#) [ETRD](#) [ETTC](#) [HK](#)
SUBJECT: EXTRANCHECK: POST SHIPMENT VERIFICATION:
WINTech MICROELECTRONICS CO. LTD.

REF: A) USDOC 04622 B) GBS

1.Unauthorized disclosure of the information provided below is prohibited by Section 12C of the Export Administration Act.

¶2. As per reftel A request and at the direction of the Office of Enforcement Analysis (OEA) of the USDOC Bureau of Industry and Security (BIS), Regional Export Control Officer Philip Ankel (ECO) conducted a post shipment-verification (PSV) at Wintech Microelectronics Co. Ltd., 25 Serangoon North Ave. 5, No. 05-001, Singapore (Wintech). The items in question were three programmable logic arrays exported to Wintech on or about April 12, 2007 and valued at USD 15,435. On the applicable shippers export declaration (SED), the items were classified as 3A001 and are most likely controlled for national security (NS) reasons. The exporter was Altera Corporation of San Jose, California.

¶3. According to the Singapore companies registry, Wintech has been in existence since 2001. Its paid-up share capital is the Singapore equivalent of USD one million. Singapore national, Mr. Yang Kwang Han and Taiwanese nationals Wen-Sung Cheng and Wen-Hung Hsu are listed as directors. Wintech Investment Co. Ltd. is listed as the sole shareholder.

¶4. On June 20, 2007, the ECO met with several Wintech staff members including Ms. Karen Seah, Senior Logistics Executive, Ms. Crystal Wan, Accountant and Ms. Emily Lim, ISA Supervisor. ECO was accompanied by Kevin Boo of Singapore Customs for this PSV. Ms. Seah stated that the company has been in existence since 2001 in Singapore and is an affiliate of Taiwanese publicly listed company, Wintech (more information at www.wtmec.com). Ms. Seah further stated that, worldwide, Wintech has about 900 staff and approximately USD 35 million in turnover. It is a distributor of electronic components including IC products for use in production of mobile phones and other electronic products. The company services the South Asia market including mainland China, Hong Kong, Korea, Malaysia, Thailand and India.

15. As to the specific items in question, documents provided by Wintech indicate that the customer was SM Electronics, a South Korea based reseller. Ms. Seah was unaware of the end-user of the items since, she stated, this was a customer of the Hong Kong Wintech office. A review of the documents suggested that Wintech paid USD 15,435 for the items but sold them for USD 10,500. By e-mail, a Michelle Huang from Wintech in Taiwan subsequently clarified that the customer had requested a discount for the items and Altera agreed to reimburse Wintech for the discounted amount. Ms. Huang further stated that the end-user of the items is ETRI (a Korean government R&D center) for the Altera product (more information about ETRI can be found at www.etri.re.kr).

16. The ECO provided background information on BIS reexport controls to Wintech and stressed that such controls apply to U.S. origin items that Wintech resells.

17. At the time visited, Wintech appeared to be a suitable recipient of the commodities shipped (as reseller) since Wintech cooperated with the PSV and provided all requested information concerning the final disposition of the applicable items. At the same time, the ECO was not able to inspect the subject items as they had already been delivered to Wintech's customer. Consistent with guidance on reporting of PSVs where the items cannot be physically inspected, the ECO recommends that this PSV be classified as Limited.

Cunningham